



**STANDING COMMITTEE ON AGRICULTURE, ANIMAL
HUSBANDRY AND FOOD PROCESSING**

(2025-2026)

EIGHTEENTH LOK SABHA

MINISTRY OF COOPERATION

DEMANDS FOR GRANTS (2025-26)

[Action Taken by the Government on the Observations/Recommendations contained in the Ninth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on Demands for Grants (2025-26)]

THIRTY-SIXTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
MARCH, 2026 / CHAITRA, 1948(SAKA)**

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Presented to Lok Sabha on 27.03.2026

Laid on the Table of Rajya Sabha on 27.03.2026



LOK SABHA SECRETARIAT
NEW DELHI
MARCH, 2026 / CHAITRA, 1948(SAKA)

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**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL
HUSBANDRY AND FOOD PROCESSING
(2024-25)**

SHRI CHARANJIT SINGH CHANNI – CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Patel Umeshbhai Babubhai
3. Smt. Harsimrat Kaur Badal
4. Shri Rajkumar Chahar
5. Smt. Anita Nagarsingh Chouhan
6. Shri Kuldeep Indora
7. Shri Rajpalsinh Mahendrasinh Jadav
8. Md. Abu Taher Khan
9. Shri Rahul Singh Lodhi
10. Shri Sukanta Kumar Panigrahi
11. Smt. Krishna Devi Shivshankar Patel
12. Shri Naresh Chandra Uttam Patel
13. Shri Narayan Tatu Rane
14. Shri Murasoli S.
15. Shri Dharambir Singh
16. Shri Dushyant Singh
17. Shri Sudhakar Singh
18. Shri Kodikunnil Suresh
19. Shri Tejasvi Surya
20. Smt. Geniben Nagaji Thakor
21. Shri Bhausahab Rajaram Wakchaure

RAJYA SABHA

22. Smt. Ramilaben Becharbhai Bara
23. Shri Masthan Rao Yadav Beedha*
24. Dr. Anil Sukhdeorao Bonde
25. Shri Banshilal Gurjar
26. Shri S. Kalyanasundaram
27. Shri Nitin Laxmanrao Jadhav Patil
28. Shri Madan Rathore
29. Shri Ramji Lal Suman
30. Shri P. P. Suneer
31. Shri Randeep Singh Surjewala

Shri Krishan Lal Panwar, Member resigned from Rajya Sabha on 14.10.2024.

**Shri Masthan Rao Yadav Beedha, Member, Rajya Sabha has been nominated to the Standing Committee on Agriculture, Animal Husbandry and Food Processing w.e.f on 8th August 2025, vide Lok Sabha Bulletin Part-II, Para No. 3117 dated 13.08.2025.*

**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL
HUSBANDRY AND FOOD PROCESSING
(2025-26)**

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28. Shri S. R. Sivalingam
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30. Shri P. P. Suneer
31. Shri Randeep Singh Surjewala

SECRETARIAT

1. Shri Dhiraj Kumar - Joint Secretary
2. Shri Maheshwar - Director
3. Shri Sanjeev Kumar - Under Secretary
4. Shri Ujjwal Yadav - Assistant Security Officer

INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2025-26), having been authorized by the Committee to submit the Report on their behalf, present this Thirty-sixth Report on Action taken by the Government on the Observations/Recommendations contained in the Ninth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on 'Demands for Grants (2025-26)' pertaining to the Ministry of Cooperation.

2. The Ninth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on Demands for Grants (2025-26) pertaining to the Ministry of Cooperation was presented to Lok Sabha and laid on the Table of Rajya Sabha on 12.03.2025. The Action Taken Notes on the Report were received on 05.06.2025.

3. The Report was considered and adopted by the Committee at their Sitting held on 23.03.2026.

4. An Analysis of the action taken by the Government on the Observations/Recommendations contained in the Ninth Report (Eighteenth Lok Sabha) of the Committee on Demands for Grants (2025-26) is given in **Appendix**.

NEW DELHI;
23rd MARCH, 2026
02 CHAITRA, 1948 (Saka)

CHARANJIT SINGH CHANNI
Chairperson,
Standing Committee on Agriculture
Animal Husbandry and Food Processing

REPORT

CHAPTER - I

This Report of the Standing Committee on Agriculture, Animal Husbandry and Food Processing deals with the Action Taken by the Government on the Observations/Recommendations contained in the Ninth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on "Demands for Grants (2025-26)" pertaining to the Ministry of Cooperation which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 12th March, 2025.

1.2 The Ministry of Cooperation have furnished Action Taken Replies in respect of all the 09 Observations/Recommendations contained in the Report. These Replies have been scrutinised and categorised as under: -

(i)	Observations/Recommendations that have been accepted by the Government:	Chapter-II (Total - 05)
	Recommendation Para Nos. 2,6,7,8 & 9	
(ii)	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:	Chapter-III (Total - 02)
	Recommendation Para Nos. 3,5	
(iii)	Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee:	Chapter-IV (Total- 02)
	Recommendation Para Nos. 1 & 4	
(iv)	Observations/Recommendations in respect of which final replies of the Government are still awaited.	Chapter-V (Total - 00)
	Recommendation Para No. NIL	

1.3 The Committee desire that utmost importance be given to implementation of the Observations/Recommendations accepted by the Government. In cases, where it is not possible for the Ministry to implement the Recommendations in letter and spirit

for any reason, the matter should be reported to the Committee with the reasons for non-implementation. The Committee desire that further Action Taken Notes on the Observations/ Recommendations contained in Chapter - I and V of this Report be furnished to them at an early date.

1.4 The Committee will now deal with the action taken by the Government on some of the Recommendations in the succeeding paragraphs.

**A. Budgetary Allocation for 2025-26
Recommendation No-1**

1.5 The Committee had observed/recommended: -

The Committee note that the Ministry of Cooperation was allocated Rs.1150 Crore at Budget Estimate (BE) stage for the year 2023-24. The amount was reduced to Rs.747 Crore at the Revised Estimate (RE) stage. The actual amount spent stood at Rs. 689 Crore resulting in under-utilization of about Rs.59 Crore in the year 2023-24. Underutilisation and surrendering of the funds amounted to 7.7% of the RE allocation for the year. Similarly, Rs.1183 Crore was allocated at the (BE) for the year 2024-25 but it was brought down to Rs.750 Crore at the Revised Estimate (RE) stage. Out of this amount, the Ministry, however, could spend Rs.573 Crore (approx.) as on 14.02.2025 representing 76% of allocations at RE stage. Further, the Ministry has also informed that they will be able to spend the remaining 24% before the end of financial year. The Committee while appreciating the utilisation of the funds more or less as per the stipulations of the Dept of Expenditure, observe that the underutilisation during 2023-24 is primarily due to non-receipt of proposals for releasing funds, underutilisation of the funds disbursed due to non-readiness of the states/UTs such as non-opening/ mapping of SNA accounts, etc. The Committee while acknowledging the teething issues that may arise in the initial phases of shifting to new accounting system feel that these are transient and hope the Ministry will be able to utilise fully once the accounting systems are stabilised. The Committee,

however, suggest that state Govts may be persuaded to send the funding proposals for digitisation / computerisation of PACs and strengthening of Cooperatives through IT interventions.

The Committee note that the Ministry of Finance considering the immense potential of the cooperative sector have allocated Rs.1186 Crore to the Ministry of Cooperation at the Budget Estimates for 2025-26. The Committee further note that the higher allocation compared to the previous year in BE 2025-26 as compared to BE 2024-25 is due to opening of two newly created Offices of Cooperative Election Authority and Cooperative Ombudsman. Further the higher allocations are also meant for computerization of higher number of PACS. Also, a new Central Sector Scheme is being introduced whereby the Grant-in-aid of Rs.500 Crore to the NCDC to enable it to provide loans to the Cooperatives. The Committee while hoping that the Ministry would be able to entirely use the budgetary allocation during the present financial year, also advise the Ministry to start implementing the Schemes and Programmes planned for 2025-26 at the earliest to achieve the intended objectives.

1.6 The Ministry in its Action Taken Reply has stated as under: -

It is humbly apprised that all the concerned States have been repeatedly pursued to spend their funds available in SNA Accounts and various meeting have been held with the participating States/UTs with the specific directions to them to spend their SNA Balance immediately. DO letters from Secretary, Cooperation and Joint Secretary, M/o Cooperation have also been sent to States raising this issue. Recently, on 24th April, 2025, a review meeting was also taken up with the lagging states in which the issue was raised regarding slow progress of fund utilization and pending SNA balances in their accounts. NABARD has also been requested to reframe the payment guidelines to System Integrators (SIs) in the project so that the funds may be utilized in the better and faster manner.

After Budget Announcement and in accordance with the guidelines of DOE vide their OM dated 05/08/2016 a draft EFC memo for the new scheme “Grant-in-aid to NCDC” under Ministry of Cooperation with an outlay of ₹2000 crore to NCDC for 4 years (Rs. 500 Crore for each year 2025-26 to 2028-29) has been prepared. After having requisite Stakeholders' consultation and making suggested modification in the draft EFC memo, it was circulated to various line ministries/departments and NITI Aayog on 25.03.2025 for their comments/inputs. The comments/inputs have since been received, the EFC memo has been finalized in consultation with IFD and the same is being submitted to DOE for approval.

Further, Monthly review meeting on the progress of various undergoing schemes/ projects/initiatives in States/ UTs is being taken by Secretary (Cooperation) on monthly basis which also includes the update status of the project “strengthening of Cooperatives through IT interventions”. Moreover, regular communications and meetings through VC are also undertaken by Joint Secretary (Policy) with the stakeholders in the States/ UTs for its effective implementation and to resolve the issues if any, regarding funds and technical part. Recently, DO letters have been issued by Secretary (Cooperation) to all Chief Secretary/ Administrators of the States/ UTs requesting them to complete the project by 30.09.2025.

1.7 The Committee in their Report had recommended the Ministry to entirely use the budgetary allocation during the present financial year and to also start implementing the Schemes and Programmes planned for 2025-26 at the earliest to achieve the intended objectives. The Committee suggested that State Govts may be persuaded to send the funding proposals for digitisation / computerisation of PACs and strengthening of Cooperatives through IT interventions. The Committee further noted that the higher allocation in BE 2025-26 as compared to BE 2024-25 is due to opening of two newly created Offices of Cooperative Election Authority and Cooperative Ombudsman and a new Central Sector Scheme has been introduced to provide Grant-in-aid of Rs.500 Crore to the NCDC to enable it to provide loans to the Cooperatives. The Ministry in its Action Taken Reply has stated that the concerned States have

been repeatedly pursued to spend their funds available in SNA Accounts and various meeting have been held with the participating States/UTs with the specific directions to them to spend their SNA Balance immediately and NABARD has also been requested to reframe the payment guidelines to System Integrators (SIs) in the project so that the funds may be utilized in the better and faster manner. A draft EFC memo for the new scheme “Grant-in-aid to NCDC” under Ministry of Cooperation with an outlay of ₹2000 crore to NCDC for 4 years (Rs. 500 Crore for each year 2025-26 to 2028-29) has been finalized with IFD after having requisite Stakeholders' consultation including comments received various line Ministries/Departments and NITI Aayog, the same is being submitted to DOE for approval. The Ministry has further stated that review meeting on the progress of various undergoing schemes/ projects/initiatives in States/ UTs is being taken by Secretary (Cooperation) on monthly basis which also include the updated status of the project “strengthening of Cooperatives through IT interventions”. Moreover, regular communications and meetings through VC are also undertaken by Joint Secretary (Policy) with the stake holders in the States/ UTs for its effective implementation and to resolve the issues if any, regarding funds and technical part. Recently, DO letters have been issued by Secretary (Cooperation) to all Chief Secretary/ Administrators of the States/ UTs requesting them to complete the project by 30.09.2025. The Committee are of the considered opinion that the Ministry needs to put in place the required processes and mechanisms to monitor fund usage at regular intervals and to address issues that hamper the entire spending of the allocated budgetary amount as surrendering of the funds may have adverse bearing on the outcome and output targets given in various programmes, schemes, projects and Missions, particularly if rollover mechanisms for unused funds are not in place.

B. Progress in operations of PACs under PM Bharatiya Janaushadi Kendra (PMBAK)

Recommendation No - 4

1.8 The Committee had observed/recommended: -

The Committee note that PACS have been allowed to open *Pradhan Mantri Bharatiya Janaushadhi Kendra* (PMBJK) which provide generic medicines at affordable prices, which are 50%-90% less than that of branded medicines in the open market, to rural citizens. The *Jan Aushadhi Kendras* provide around 2047 drugs and 300 medical devices at reasonable prices. They further note that so far, 4,692 PACS from 34 States/UTs have applied for the scheme, out of which 2,648 PACS have been given initial approval by Pharmaceuticals & Medical Devices Bureau of India (PMBI). Drug licenses have been granted to 584 PACS from 24 States/UTs, and store codes have been issued to 465 PACS by PMBI. The afore mentioned data shows that 50 % (approx.) only of the PACs which have applied under the scheme were granted initial approval PMBI and 584 PACs only have been have been granted drug licenses. The Committee while appreciating the Govt for this move, are of the view that given the huge number of PACS there exists enough scope to bring more PACS under the Scheme. The Committee accordingly suggest to take appropriate steps to bring more PACS under the scheme in a phased manner.

1.9 The Ministry in its Action Taken Reply has stated as under: -

The Ministry of Cooperation is actively supporting PACS to function as Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJKs) to enhance rural access to affordable quantity generic medicines.

Ministry of Cooperation has requested State Cooperation Departments to facilitate initially approved PACS for obtaining drug licenses. The Ministry has also taken up the matter with PMBI to simplify the application process for PACS.

In this regard, a meeting was co-chaired by Secretary (Cooperation) and Secretary (Pharmaceuticals), Ministry of Chemicals and Fertilizers on 30.04.2025 to identify the way forward and to review the progress of this initiative, where representatives from Ministry of Health, O/o Drug Controller General of India (DCGI) and Pharmacy Council of India (PCI) were also present.

Through business diversification, this initiative aims to transform PACS into vibrant economic entities and also benefit the small and marginal farmers associated with them.

1.10 The Committee in their Report had recommended that given the huge number of PACS, there exists enough scope to bring more PACS under the Scheme and accordingly suggested the Ministry to take appropriate steps to bring more PACS under the scheme in a phased manner. The Ministry in its Action Taken Reply has stated that it is actively supporting PACS to function as Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJKs) to enhance rural access to affordable quantity generic medicines, already requested State Cooperation Departments to facilitate initially approved PACS for obtaining drug licenses & taken up the matter with Pharmaceuticals & Medical Devices Bureau of India (PMBI) to simplify the application process for PACS. The Ministry has further stated that a meeting was co-chaired by Secretary (Cooperation) and Secretary (Pharmaceuticals), Ministry of Chemicals and Fertilizers on 30.04.2025 to identify the way forward and to review the progress of this initiative, where representatives from Ministry of Health, O/o Drug Controller General of India (DCGI) and Pharmacy Council of India (PCI) were also present. The Committee are of the considered opinion that given the enormous reach and potential of PACS to even the remotest corners of the country, the Ministry of Cooperation should not only expedite approvals for PACS but also issue guidelines to State Governments/PMBI to simplify guidelines for obtaining drug licenses by PACS. The Ministry may also consider setting up a Dashboard on an online portal having Artificial Intelligence features to monitor progress of approvals of PACs on real time basis and subsequent features in collaboration with State Governments. These steps will go a long way in not only enhancing Ease of Doing business for PACS but would also provide quality generic medicines at affordable prices to the rural population thereby improving basic health facilities available to them.

CHAPTER - II

OBSERVATIONS/RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Computerization of Primary Agricultural Credit Societies (PACS)

Recommendation No. 2

The Committee acknowledge that the computerization of Primary Agricultural Credit Societies is a landmark project which aims to revolutionize the rural short term Loan Cooperative sector in India. This project helps in bringing transparency, lowering transaction costs, ensuring speedy disbursement of loans there by revolutionising the entire function of PACs. The Committee note that overall, 70 % of the PACs are covered so far and the remaining PACS are expected to be covered by the end of the financial year 2024-25. The Committee suggest that proactive steps may be taken to persuade the states to send the proposals for computerisation of PACs to ensure that projects is completed as per schedule and the sector experiences the benefits of such a massive project.

Reply of the Government

In this regard, it is submitted that computerization of PACS is a growing project. Recently, 11,700 PACS have been further sanctioned with the approval of the competent authority, under the Computerization of PACS project over and above 67,930 PACS sanctioned earlier. A Committee has also been formed with Registrar of Cooperative Societies (RCS) of the participating states like Uttarakhand, Jharkhand and Tamil Nadu along with CGM, NABARD HO for recommendation of additional PACS to brought under this Project. Further, hardware has been delivered in 62,937 PACS (93%) and 58,902 PACS (87%) have been onboarded on ERP software and 50,447 PACS have been made Go-Live (74%) and 46,416 PACS (68%) are doing Day-end activities on ERP software till 20.05.2025 and concerted efforts are being made to computerize all sanctioned PACS within the stipulated timelines given in the scheme guidelines.

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

National Level University in the Cooperative Sector

Recommendation No. 6

The Committee feel that a very limited number of good educational institutions and training are presently operating in the field of cooperatives to meet the requirements, need and tapping the potentials of the cooperatives sector in India despite the fact that cooperative movement is very vibrant and has deep roots in the society. The Committee, thus, appreciate that the Government have decided to establish a national-level University, i.e., “Tribhuvan Sahkari University (TSU)” exclusively for the cooperative sector and a Bill has already been introduced in Lok Sabha for the legislative approval of the Parliament. The University will follow a multi-disciplinary course curriculum with flexible entry and exit system in line with the National Education Policy 2020 and would also offer courses in different sector-specific courses relating to cooperative business management, skill-development courses, and specialized engineering and technological courses as per demand of the cooperative sector. The Committee are hopeful that setting up of this University would definitely ensure a stable and continuous availability of qualified human resources to the cooperative sector and the capacity of employees and board members of cooperatives would also be enhanced immensely. The Committee, therefore, recommend the Ministry to pursue the matter for early setting up of the University and also desire that the Committee be apprised of the progress made in this regard.

The Committee, however, are of the considered opinion that Institute of Rural Management, Anand (IRMA), a pioneering institute which played a pivotal role in successful implementation of white Revolution in India, may be kept as an autonomous institution to allow it to continue to play key role in rural management sector.

Reply of the Government

It is humbly apprised that Cabinet approval for the introduction of the bill in Parliament for the establishment of a national level cooperative university was obtained on 12.12.2024 by the Ministry. Further, the “Tribhuvan” Sahkari University Bill, 2025 was passed by the Lok Sabha and Rajya Sabha on 26th March, 2025 and 1st April 2025 respectively. Thereafter, assent was also obtained from the Hon’ble President on the bill on 3rd April 2025. Further,

the Gazette notification for commencement of the Act and for establishment of the university have also been issued on 4th April, 2025.

“Tribhuvan” Sahkari University (TSU) has been established by the Ministry of Cooperation through an Act of Parliament, by converting the Institute of Rural Management Anand (IRMA), located in the Anand district of Gujarat Constitution of the Governing Board of the University is in process.

Identification of additional land in Gujarat for the University campus has been completed. Accordingly, the Chief Secretary of the Gujrat State has been requested to transfer the identified land to the University.

To ensure the identity & autonomy of IRMA is preserved within the institutional framework of the University. Necessary provisions have been made in the “Tribhuvan” Sahkari University Act, 2025 itself.

Section 5(1)(e) states that the identity and autonomy of the IRMA and its rights and privileges shall be continued.

Section 5(4) states that the identity and autonomy of any ongoing academic programme and course of the Institute of Rural Management Anand School shall be preserved by the University and any modification, if needed, shall be with the concurrence of the Executive Board of such School.

Section 5(5) states that the Institute of Rural Management Anand School shall have administrative and academic autonomy as may be provided by the Statutes.

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

Ushering in the White Revolution 2.0

Recommendation No. 7

The Committee are happy to note that the Ministry of Cooperation has launched an initiative to usher Cooperative-led "White Revolution 2.0" aimed at expanding cooperative

coverage, employment generation and women's empowerment with an objective to increase milk procurement of dairy cooperatives by 50% from the present level over next five years by providing market access to dairy farmers in uncovered areas and increasing the share of dairy cooperatives in organised sector. The initiative would help in creating the milk procurement activities as an additional income generating activity in Primary Agricultural Cooperative Societies / Multipurpose Primary Agricultural Credit Cooperative Societies (MPACS). It is heartening that 1000 MPACS will be provided a grant of Rs.40,000 each for procuring basic milk procurement and testing equipment under the Scheme. The Committee recommend that the 1000 MPACS to who the financial grant are to be given must be identified as soon as possible and it may be ensure that these 1000 MPACS should be in different districts in different States to make the dairy cooperatives a successful enterprise in whole of India. The Committee would also like to be apprised, from time to time, about the progress and achievement made under the Scheme.

Reply of the Government

To promote dairying as an additional source of income for members of viable Multipurpose Primary Agricultural Credit Societies (MPACS), the National Dairy Development Board (NDDDB) launched a scheme offering one-time financial assistance of up to ₹ 40,000 per MPACS to help initiate milk procurement activities by providing basic milk procurement and testing equipment. This scheme has since been extended to include formation of new Multipurpose Dairy Cooperative Societies (MDCS) also. The financial assistance is routed through the Milk Federation/Milk Union/Milk Producer Organization operating in the region.

NDDDB has already approved 15 projects across 13 Milk Unions and one Milk Producer Organization, covering 8 different states (Assam, West Bengal, Mizoram, Odisha, Maharashtra, Madhya Pradesh, Uttar Pradesh, Punjab). Of the targeted 1,000 MPACS/MDCS, 893 have been approved for support, with a total sanctioned amount of Rs. 3.59 Crore. The remaining 107 MPACS/MDCS will also be shortly approved.

To date, 388 MPACS/MDCS have already begun milk procurement operations with total milk collection of around 46,000 litres per day from 8,653 pourer members.

Project wise details are tabulated below for perusal: -

Sr. No.	State	Milk Union/MPO	MPACS/ MDCS to be supported	MPACS/ MDCS initiated milk procurement (nos.)	Milk Collection (LPD)	Pourer Member (nos.)
1	Assam	West Assam Milk Union Ltd.	201	195	24,000	3,780
2	Assam	East Assam Milk Union Ltd.	100	25	1,448	782
3	West Bengal	Bardhaman Milk Union	10	8	122	24
4	Mizoram	Mizoram Milk Union	10	-	-	-
5	Odisha	Cuttack Milk Union	20	16	2,270	417
6	Odisha	Samalshwari Milk Union	20	-	-	-
7	Maharashtra	Bhandara Milk Union	30	19	1,157	186
8	Maharashtra	Marathavarhad MPO (Vidarbha)	200	-	-	-
9	Madhya Pradesh	Bhopal Milk Union	8	3	59	10
10	Madhya Pradesh	Bundelkhand Milk Union (2 projects)	50	50	2175	1197
11	Uttar Pradesh	Varanasi Milk Union	200	58	10,018	1,770
12	Punjab	Gurdaspur DCMPU Ltd.	20	10	2,120	307
13	Punjab	Ludhiana Milk Union	4	4	2,680	180
14	West Bengal	Sundarban Milk Union	20	-	-	-
		Total	893	388	46,049	8,653

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

Setting up of office of Cooperative Ombudsman

Recommendation No. 8

The Committee note that a Grievances Redressal mechanism relating to the functioning of the cooperatives societies was required to be put in place for a very long time. The Committee appreciate the measure taken by the Government in creating the office of Cooperative Ombudsman who will consider the complaints or Appeals from the members of the Multi-State Cooperative Societies. The Cooperative Ombudsman would follow the principles of natural justice in dealing with the complaints so received by his office and he

shall exercise the same powers as are vested in the Civil Court under the Code of Civil Procedure, 1908 for summoning the person and documents. The Committee recommend that the Office of Cooperative Ombudsman be established as expeditiously as possible so that the complaints by or against the members of the Multi-State Cooperative Societies are dealt with promptly and in just and equitable manner. The Committee also recommend that a Standard Operating Procedure (SOP) for filing the complaints, procedure to dispose of the complaints in time-bound manner and imposition of penalty for filing false or baseless or frivolous complaints, should be framed for the guidance of the Cooperative Ombudsman. Since there would only be one Cooperative Ombudsman who is likely to have office only at one place, the Committee recommend that procedure to file online complaints to the Cooperative Ombudsman may be also prescribed in the SOP so that members of the Multi-State Cooperative Societies residing in far-flung area may not be left behind from using the services and benefits of the office of Cooperative Ombudsman.

Reply of the Government

It is apprised that O/o Cooperative Ombudsman has been established and made functional in the year 2024 itself. Also, the complaints are made before the Cooperative Ombudsman in a specific format i.e. Form 6 as prescribed in the MSCS Rules 2002 (as amended). Cooperative Ombudsman shall endeavour to follow the Principle of Natural Justice and give an opportunity to the multi state cooperative society of being heard. The complaints are to be disposed off within a time frame of 3 months. In addition, procedure to process and dispose of the complaints received by the Ombudsman is also prescribed in the Act/Rules. Presently there is no provision of imposing penalty on frivolous complaints under the MSCS Act. Regarding filing of complaints through online mechanism, a portal is under development for the same.

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

Bringing transparency through office of Cooperative Election Authority

Recommendation No. 9

With a view to conduct elections to Cooperatives in a transparent manner, a need was felt long ago for having an authority which would oversee and supervise the elections of cooperative societies. The Committee are glad that an independent authority in the form of Cooperative Election Authority has been created under the Multi-State Cooperative Societies Act, 2002 to conduct the elections of the Multi-State Cooperative Societies and also to supervise, direct and control the matters relating to preparation of electoral rolls. The Cooperative Election Authority is empowered to issue Election Programme and may appoint District Magistrate/District Collectors as the Returning Officer to ensure conducting of free and fair elections in the Multi-State Co-operative Societies. The Committee recommend that the State Government may also be persuaded to have such Cooperative Election Authority at the State-level for conducting of elections of the Primary Agricultural Credit Societies and other Cooperative Societies operating in the States.

Reply of the Government

The recommendation of the Committee is noted. The office of CRCS is taking up the issue of setting up of such Cooperative Election Authorities (CEAs) at State level with the respective State Governments.

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

CHAPTER-III

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S ACTION TAKEN REPLY

Pradhan Mantri Kisan Samridhhi Kendras (PMKSK)

Recommendation No. 3

The Committee note that with a view to make available agri-products and services at a single location in rural areas and also increase & diversify the sources of income to the farmers , the Govt has taken the initiative to transform PACS as 'Village Supermarkets' and 'One Stop Shops' known as PM *Kisan Samridhhi kendras* (PMKSKs).The PMKSKs cater to the requirements of farmers in their very neighborhood for selling (i) products such as *agri*-inputs-fertilizers, seeds, pesticides; making available farm equipment, and for offering (ii) *agri*-services namely (a) hiring of farm labourers, (b) soil & seed testing facilities, (c) Operation and Maintenance (O&M) of Rural Piped Water Supply Scheme (PWSS); and (iv) operations of PM *Bharatiya Janaushadi Kendra* (PMBJK). Further these PMKSKs are also allowed to distribute fertilizers.

The Committee have no doubt that these initiatives will bring in transformative changes in the rural economy and help the farmers to prosper. The Committee feel that the farmers need not go too far-away place to buy agri-inputs and agri-related services as these are made available in their neighborhood itself. This, the Committee believe will result in reducing the cost of agriculture for the farmers, diversify the sources of income and offer more or less stable income through offering maintenance services. The Committee have no doubt that these PACS will become strong in future on the lines of organized private supermarkets giving stiff competition to the local unorganized players.

Reply of the Government

The Ministry of Cooperation has been actively facilitating the transformation of PACS into Pradhan Mantri Kisan Samridhhi Kendras (PMKSKs) to ensure the availability of various agricultural inputs & services under one roof at the village level.

As per information received from States/ UTs, as on 6.5.2025, a total of 36,592 PACS have been upgraded into PMKSKs. States/ UTs have further been requested by the Ministry to facilitate PACS to obtain fertilizer licenses so that they can initiate operations as fertilizer distributors and subsequently be upgraded into PMKSKs.

Further, the Ministry is also coordinating with D/o Fertilizers (GoI), IFFCO and KRIBHCO to initiate soil testing through PMKSK PACS in a campaign mode.

In addition to the above, in order to diversify the businesses of PACS, Ministry of Cooperation is also implementing various other initiatives, including the following:

- 'PACS as Common Service Centers (CSCs)' to deliver various e-services to rural citizens, such as mobile recharge, electricity bill payment, insurance, digipay, etc. 45,704 PACS are presently functioning as CSCs.
- Pradhan Mantri Bhartiya Janaushadi Kendra (PMBJK)' to ensure availability of generic medicines to rural citizens at affordable prices. So far, 4,555 PACS have got initial approval from Pharmaceuticals and Medical Devices Bureau of India (PMBI) and 805 PACS have received Drug License and are being readied to start function as PMBJK.
- PACS as Paani Samitis' to carry out Operation and Maintenance (O&M) services under Rural Piped Water Supply Scheme. So far, 822 PACS have been identified by States/ UTs for participating in this initiative.

These initiatives not only transform PACS into vibrant economic entities but also benefit small and marginal farmers associated with them.

MINISTRY OF COOPERATION
File No. H-12/2/2025-MoC dated 03.06.2025

New Scheme 'Grant-in-Aid to NCDC'

Recommendation No. 5

The Committee appreciate that the Ministry of Cooperation are coming up with a new Scheme 'Grant-in-Aid to NCDC' with the outlay of Rs. 500 Crore for promoting the cooperative based economic development model, strengthening the cooperative movement in the country and deepening its reach up to the grassroots. The National Cooperative Development Corporation will be able to mobilize funds and borrow additional funds from the open market for providing loans to the cooperative sector. The availability of loans will help cooperatives in their revival, capacity augmentation, diversification of activities, increasing their profitability and enabling them to increase their productivity and generate more employment which will improve the economic conditions of the farmer members. Loan assistance from NCDC will be provided either through the State Governments / UT Administrations or directly to the cooperatives fulfilling NCDC direct funding guidelines and criteria of applicable scheme. The Committee would like to be apprised of the details about the progress of the Scheme, implementation status and action taken expeditiously in the matter.

Reply of the Government

The Committee is humbly apprised that after Budget Announcement for FY 2025-26 and in accordance with the guidelines of DOE OM dated 05/08/2016 a draft EFC memo for the new scheme "Grant-in-aid to NCDC" under Ministry of Cooperation with an outlay of ₹2000 crore to NCDC for 4 years (Rs. 500 Crore for each year 2025-26 to 2028-29) has been prepared. After having requisite Stakeholders' consultation and making suggested modification in the draft EFC memo, it was circulated to various line ministries/departments and NITI Aayog on 25.03.2025 for their comments/inputs. The comments/inputs have since been received, the EFC memo has been finalized in consultation with IFD and the same is being submitted to DOE for approval.

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

CHAPTER - IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH ACTION TAKEN REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Budgetary Allocation for 2025-26

Recommendation No. 1

The Committee note that the Ministry of Cooperation was allocated Rs.1150 Crore at Budget Estimate (BE) stage for the year 2023-24. The amount was reduced to Rs.747 Crore at the Revised Estimate (RE) stage. The actual amount spent stood at Rs. 689 Crore resulting in under-utilization of about Rs.59 Crore in the year 2023-24. Underutilisation and surrendering of the funds amounted to 7.7% of the RE allocation for the year. Similarly, Rs.1183 Crore was allocated at the (BE) for the year 2024-25 but it was brought down to Rs.750 Crore at the Revised Estimate (RE) stage. Out of this amount, the Ministry, however, could spend Rs.573 Crore (approx.) as on 14.02.2025 representing 76% of allocations at Re stage. Further, the Ministry has also informed that they will be able to spend the remaining 24% before the end of financial year. The Committee while appreciating the utilisation of the funds more or less as per the stipulations of the Dept of Expenditure, observe that the underutilisation during 2023-24 is primarily due to non-receipt of proposals for releasing funds, underutilisation of the funds disbursed due to non-readiness of the states/UTs such as non-opening/ mapping of SNA accounts, etc. The Committee while acknowledging the teething issues that may arise in the initial phases of shifting to new accounting system feel that these are transient and hope the Ministry will be able to utilise fully once the accounting systems are stabilised. The Committee, however, suggest that state Govts may be persuaded to send the funding proposals for digitisation / computerisation of PACs and strengthening of Cooperatives through IT interventions.

The Committee note that the Ministry of Finance considering the immense potential of the cooperative sector have allocated Rs.1186 Crore to the Ministry of Cooperation at the Budget Estimates for 2025-26. The Committee further note that the higher allocation

compared to the previous year in BE 2025-26 as compared to BE 2024-25 is due to opening of two newly created Offices of Cooperative Election Authority and Cooperative Ombudsman. Further the higher allocations are also meant for computerization of higher number of PACS. Also, a new Central Sector Scheme is being introduced whereby the Grant-in-aid of Rs.500 Crore to the NCDC to enable it to provide loans to the Cooperatives. The Committee while hoping that the Ministry would be able to entirely use the budgetary allocation during the present financial year, also advise the Ministry to start implementing the Schemes and Programmes planned for 2025-26 at the earliest to achieve the intended objectives.

Reply of the Government

It is humbly apprised that all the concerned States have been repeatedly pursued to spend their funds available in SNA Accounts and various meeting have been held with the participating States/UTs with the specific directions to them to spend their SNA Balance immediately. DO letters from Secretary, Cooperation and Joint Secretary, M/o Cooperation have also been sent to States raising this issue. Recently, on 24th April, 2025, a review meeting was also taken up with the lagging states in which the issue was raised regarding slow progress of fund utilization and pending SNA balances in their accounts. NABARD has also been requested to reframe the payment guidelines to System Integrators (SIs) in the project so that the funds may be utilized in the better and faster manner.

After Budget Announcement and in accordance with the guidelines of DOE vide their OM dated 05/08/2016 a draft EFC memo for the new scheme "Grant-in-aid to NCDC" under Ministry of Cooperation with an outlay of ₹2000 crore to NCDC for 4 years (Rs. 500 Crore for each year 2025-26 to 2028-29) has been prepared. After having requisite Stakeholders' consultation and making suggested modification in the draft EFC memo, it was circulated to various line ministries/departments and NITI Aayog on 25.03.2025 for their comments/inputs. The comments/inputs have since been received, the EFC memo has been finalized in consultation with IFD and the same is being submitted to DOE for approval.

Further, Monthly review meeting on the progress of various undergoing schemes/projects/initiatives in States/ UTs is being taken by Secretary (Cooperation) on monthly basis

which also includes the update status of the project “strengthening of Cooperatives through IT interventions”. Moreover, regular communications and meetings through VC are also undertaken by Joint Secretary (Policy) with the stake holders in the States/ UTs for its effective implementation and to resolve the issues if any, regarding funds and technical part. Recently, DO letters have been issued by Secretary (Cooperation) to all Chief Secretary/ Administrators of the States/ UTs requesting them to complete the project by 30.09.2025.

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

Comments of the Committee

Please refer to Para No. 1.7 of this Report for comments of the Committee.

Progress in operations of PACs under PM Bharatiya Janaushadi Kendra (PMBAK)

Recommendation No. 4

The Committee note that PACS have been allowed to open *Pradhan Mantri Bharatiya Janaushadhi Kendra* (PMBJK) which provide generic medicines at affordable prices, which are 50%-90% less than that of branded medicines in the open market, to rural citizens. The *Jan Aushadhi Kendras* provide around 2047 drugs and 300 medical devices at reasonable prices. They further note that so far, 4,692 PACS from 34 States/UTs have applied for the scheme, out of which 2,648 PACS have been given initial approval by Pharmaceuticals & Medical Devices Bureau of India (PMBI). Drug licenses have been granted to 584 PACS from 24 States/UTs, and store codes have been issued to 465 PACS by PMBI. The afore mentioned data shows that 50 % (approx.) only of the PACs which have applied under the scheme were granted initial approval PMBI and 584 PACs only have been granted drug licenses. The Committee while appreciating the Govt for this move, are of the view that given the huge number of PACS there exists enough scope to bring more PACS under the Scheme. The Committee accordingly suggest to take appropriate steps to bring more PACS under the scheme in a phased manner.

Reply of the Government

The Ministry of Cooperation is actively supporting PACS to function as Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJKs) to enhance rural access to affordable quantity generic medicines.

Ministry of Cooperation has requested State Cooperation Departments to facilitate initially approved PACS for obtaining drug licenses. The Ministry has also taken up the matter with PMBI to simplify the application process for PACS.

In this regard, a meeting was co-chaired by Secretary (Cooperation) and Secretary (Pharmaceuticals), Ministry of Chemicals and Fertilizers on 30.04.2025 to identify the way forward and to review the progress of this initiative, where representatives from Ministry of Health, O/o Drug Controller General of India (DCGI) and Pharmacy Council of India (PCI) were also present.

Through business diversification, this initiative aims to transform PACS into vibrant economic entities and also benefit the small and marginal farmers associated with them.

MINISTRY OF COOPERATION

File No. H-12/2/2025-MoC dated 03.06.2025

Comments of the Committee

Please refer to Para No. 1.10 of this Report for comments of the Committee.

CHAPTER - V

**OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLY OF
THE GOVERNMENT ARE STILL AWAITED**

- NIL -

**NEW DELHI;
23rd MARCH, 2026
02 CHAITRA, 1948 (Saka)**

**CHARANJIT SINGH CHANNI
*Chairperson,
Standing Committee on Agriculture
Animal Husbandry and Food Processing***

**MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE ON AGRICULTURE,
ANIMAL HUSBANDRY AND FOOD PROCESSING (2024-25)**

The Committee sat on Monday, the 23rd March, 2026 from 1035 hrs. to 1118 hrs. in Committee Room No. 2, First Floor, Block-A, Extension to Parliament House Annexe (EPHA), New Delhi.

Present

Shri Charanjit Singh Channi – Chairperson

Members

Lok Sabha

- 2 Shri Rajkumar Chahar
- 3 Shri Kuldeep Indora
- 4 Shri Sukanta Kumar Panigrahi
- 5 Shri Dushyant Singh
- 6 Shri Sudhakar Singh

Rajya Sabha

- 7 Smt. Ramilaben Becharbhai Bara
- 8 Dr. Anil Sukhdeorao Bonde
- 9 Shri H. D. Devegowda
- 10 Shri Madan Rathore

Secretariat

- | | | | |
|----|----------------------|---|------------------|
| 1. | Shri Dhiraj Kumar | – | Joint Secretary |
| 2. | Shri Maheshwar | – | Director |
| 3. | Shri Prem Ranjan | - | Deputy Secretary |
| 4. | Shri Fauzi Badruddin | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee. Thereafter, the Committee took up for consideration and adoption of the following Draft Subject Reports and Draft Action Taken Reports:

*(i) xxxx xxxx xxxx xxxx xxxx

*(ii) xxxx xxxx xxxx xxxx xxxx

*(iii) xxxx xxxx xxxx xxxx xxxx

(iv) Action-taken Report on the Action taken by the Government on the Observations/ Recommendations contained in the 9th Report of the Committee on the Demands for Grants (2025-26) pertaining to the Ministry of Cooperation presented during 18th Lok Sabha;

*(v) xxxx xxxx xxxx xxxx xxxx

*(vi) xxxx xxxx xxxx xxxx xxxx

3*. xxxx xxxx xxxx xxxx xxxx

4. The Committee adopted the Draft Action-taken Reports mentioned at para 2 (iii) to (vi) without any modifications.

5*. xxxx xxxx xxxx xxxx xxxx.

6. The Committee also authorized the Chairperson to finalize the Reports in the light of modifications suggested and present the Reports to Parliament.

The Committee then adjourned.

*Matter not related to this report.

(Vide Para 4 of Introduction of the Report)

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE 9TH REPORT OF STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (2024-25) (18TH LOK SABHA)

(i)	Total number of Recommendations	09
(ii)	Observations/Recommendations that have been accepted by the Government: Para Nos. 2, 6,7, 8 & 9 Total Percentage	05 55.55%
(iii)	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies: Recommendation Para Nos. 3, 5 Total Percentage	02 22.22%
(iv)	Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee: Recommendation Para Nos. 1 & 4 Total Percentage	02 22.23%
(v)	Observations/Recommendations in respect of which final replies of the Government are still awaited. Recommendation Para No. Nil Total Percentage	Nil Nil